

EXHIBIT A

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Attorneys for Defendants
MICHAEL P. MCGRATH and
ALL RISKS, LTD.

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA

CRUMP INSURANCE SERVICES, INC.,

Plaintiff,

v.

MICHAEL P. MCGRATH, an individual,
ALL RISKS, LTD., a corporation, and
Does 1 through 50, inclusive,

Defendants.

Civil Action No. C-07-4636 MMC

**JOINT CASE MANAGEMENT
CONFERENCE STATEMENT**

Date: December 14, 2007
Time: 10:30 a.m.
Crtrm: 7

The parties hereto submit the following Joint Case Management Statement.

1. Jurisdiction and Service

Jurisdiction for this matter exists pursuant to 28 U.S.C. §§ 1332 and 1441 as

1 this action involves citizens of different states and the matter in controversy
2 claimed by plaintiff exceeds the sum of \$75,000, exclusive of interest and costs.

3 **2. Facts**

4 This action arises from the termination of the employment relationship
5 between plaintiff Crump Insurance Services, Inc. and defendant Michael P.
6 McGrath. Defendant McGrath was employed by plaintiff Crump Insurance
7 Services, Inc. commencing in 1996. He entered into a written employment
8 agreement with plaintiff at that time. Pursuant to the agreement (as periodically
9 extended), he was obligated to keep confidential certain proprietary information and
10 records relating to the firm's customers and their insurance policies. He also agreed
11 not to solicit employees for any competitor company.

12 In early June, 2007, McGrath resigned his position with plaintiff and became
13 an employee of a competitor, defendant All Risks.

14 Plaintiff contends that defendants McGrath and All Risks have utilized the
15 confidential and proprietary information belonging to plaintiff in order to solicit and
16 obtain business. Also, plaintiff believes that McGrath solicited employees to work
17 at All Risks.

18 Plaintiff initiated this action for breach of contract, misappropriation of trade
19 secrets, breach of fiduciary duty, intentional interference with prospective economic
20 advantage, and negligent interference with prospective economic advantage. These
21 claims are based upon his use of proprietary information belonging to plaintiff.

22 Defendants dispute these claims. Defendants deny having utilized
23 confidential and/or proprietary information. Defendants further deny having
24 solicited employees or business/clients from plaintiff.

25 **3. Legal Issues**

26 The legal issues relate to the nature of the information and the proprietary or
27 non-proprietary nature of the information. They also relate to the nature of the
28 contractual obligations to keep information confidential and to not solicit

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1 employees that were imposed on defendant McGrath pursuant to his employment
2 agreement. Due to the fact that the parties have not yet conducted discovery, they
3 are not yet aware of other legal issues that may arise.

4 **4. Motions**

5 At the present time no motions have been filed. The parties do not anticipate
6 any specific motions at this time. Defendants anticipate filing a motion for
7 summary judgment.

8 **5. Amendment of Pleadings**

9 At the present time it is not anticipated that it will be necessary to amend the
10 pleadings. However, due to the nature of this case, plaintiff anticipates that it will
11 learn additional facts that may justify the amendment of the complaint.

12 **6. Evidence Preservation**

13 The parties have notified their respective clients of the obligation to preserve
14 evidence, and they shall take appropriate steps to insure that relevant information is
15 maintained during the pendency of the action.

16 **7. Disclosures**

17 On November 27, 2007 the parties conducted a telephonic meeting to discuss
18 their Rule 26 disclosures. At that time the parties identified the witnesses who they
19 believe have information that supports the various claims and defenses. The
20 witnesses identified were:

21 Plaintiff's Identification:

- 22 1. Peter Scott,
23 2. Glenn Hargrove,
24 3. Cindy Marty,
25 4. Cora de la Cruz, and
26 5. Michael McGrath.

27 Defendants' Identification:
28

1. Jack Lassen,
2. Matt Nichols,
3. Nick Cortezi,
4. Cindy Marty,
5. Peter Scott, and
6. Sue Bryant.

The parties anticipate that there will be additional witnesses identified in discovery, including representatives of various third parties and customers who will have relevant information.

The parties also described the categories of documents that they possessed which they believe support their respective positions. They shall exchange those documents prior to the December 14, 2007 hearing.

8. Discovery

The parties have not yet initiated discovery. The parties do not believe that there is a need for any particular limitations upon discovery. Due to the nature of the dispute, the parties may enter into a stipulated protective order to protect confidential information from public disclosure.

9. Class Actions

Not applicable.

10. Related Cases

None.

11. Relief

Plaintiff seeks the award of damages, punitive damages, and injunctive relief preventing the use by defendants of plaintiff's proprietary information. At the present time, plaintiff has not determined the amount of damage that it has suffered, as it relates largely to the loss of business attributed to the improper use of proprietary information.

1 **12. Settlement and ADR**

2 The principals of the parties have discussed possible settlement. At the
3 present time the parties have not agreed upon a particular alternative dispute
4 resolution mechanism. However, the parties discussed further exploration of this
5 option once some discovery has been completed and the parties have a more
6 complete evaluation of the matter.

7 **13. Consent to Magistrate Judge For All Purposes**

8 A "Declination to Proceed Before a Magistrate Judge and Request for
9 Reassignment to a District Judge" was filed by defendants with the Court on
10 September 25, 2007.

11 **14. Other References**

12 The matter is not suitable for reference to binding arbitration as plaintiff is
13 not agreeable, a special master, or the Judicial Panel on Multidistrict Litigation.

14 **15. Narrowing of Issues**

15 At the present time the parties are not able to narrow the issues by either
16 agreement or motion. At this time it is premature to evaluate the propriety of the
17 expedited presentation of evidence at trial. The parties do not anticipated that it
18 would be appropriate to bifurcate issues, claims, or defenses.

19 **16. Expedited Schedule**

20 The parties do not believe that this matter can be handled on an expedited
21 basis with streamlined procedures.

22 **17. Scheduling**

23 The parties have not been able to reach agreement with respect to the
24 scheduling of this matter, and therefore set forth their respective position with
25 respect thereto.

26 Plaintiff's suggested schedule:

27 Designation of Experts: April 16, 2008;

28 Close of Discovery (excluding experts): May 30, 2008;

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1 Dispositive Motions filed: June 20, 2008;
2 Pretrial Conference: Week of August 18, 2008
3 Trial: September 2, 2008
4 Defendants' suggested schedule:
5 Designation of Experts: June 16, 2008;
6 Close of Discovery: July 31, 2008;
7 Dispositive Motions filed: August 21, 2008;
8 Pretrial Conference: Week of Oct. 13, 2008
9 Trial: November 10, 2008

10 **18. Trial**

11 The parties preliminary estimate of the length of trial to be 5-10 days.

12 **19. Disclosure of Non-Party Interested Entities or Persons**

13 Plaintiff's Certification:

14 Pursuant to Civil L.R. 3-16, the undersigned certifies that as of this date,
15 other than the named parties, there is no such interest to report.

16 Defendants' Certification:

17 Pursuant to Civil L.R. 3-16, the undersigned certifies that as of this date,
18 other than the named parties, there is no such interest to report.

19 **20. Other Matters**

20 The parties are not presently aware of any other matters that might facilitate
21 the just, speedy and inexpensive disposition of this matter.

22
23 Dated: December 10, 2007

DOUGLAS W. STERN
FULBRIGHT & JAWORSKI L.L.P.


24
25 By /S/ Douglas W. Stern
26 DOUGLAS W. STERN
27 Attorneys for Plaintiff CRUMP
INSURANCE SERVICES, INC.
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1 Dated: December 10, 2007

DONNA RUTTER
CURIALE DELLAVERSON
HIRSCHFELD & KRAEMER, LLP

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3
4 By 
5 DONNA RUTTER
6 Attorney for Defendants MICHAEL P.
7 MCGRATH and ALL RISKS, LTD.
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